

# Only two citizens show for PUC hearing

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By AMY KING  
S-O Staff Writer

Approximately 15 representatives of West Penn Power, the Public Utilities Commission (PUC) and the Office of Consumer Advocates and Judge Michael Nemeč conducted a public hearing last night at Greensburg Salem High School, in order to elicit testimony from applicable residents pertaining to the proposed rate increase of West Penn Power.

With the number of representatives exceeding the attendance of concerned consumers, Nemeč, an administrative law judge, presided over the evidentiary hearing which may be utilized in the nine-month, rate deliberation process. Litigation for the percentage of increase will occur between the power company, PUC and consumer advocates, according to Gilbert Hamberg, PUC attorney. Hamberg said West Penn Power applied in April for a total \$82

million increase from its entire service area of Western Pennsylvania.

Two Greensburg residents offered comment which may serve as testimony in the respective cases of either the consumer advocates or PUC's trial staff, guardians of public interests.

George Coates, Greensburg, submitted sworn testimony while Joe Forsys, Greensburg, conceded an unsworn statement in opposition to the proposed utility rate increase. Both consumers said their major dissension resulted from what Forsys termed a "discriminatory rate increase to all-electric homeowners."

Coates said he received notification that the rates will escalate 13 percent over the next three years.

The Greensburg residents contended that they had been told by West Penn Power representatives that they would receive preferential

treatment for owning an all-electric home.

Judge Nemeč interjected that the "PUC said that a differential for all-electric owners was discriminatory."

A representative of the utilities company explained that in the past "it was a different economic ballgame," and since then, the utility companies have been ordered to "level out and terminate" the differential practice.

PUC attorney Hamberg defended the utility companies on this issue stating that the PUC had ruled that preferential treatment was "rate discrimination to one class of customers ... other customers are forced to make up that rate." He continued to explain that the new trend will be for each "customer to pay for the services he receives."

A representative of the Office of Consumer Advocates stated, "In the



## Considering a utility rate hike

Gilbert Hamberg, Public Utility Commission attorney (left), and Judge Michael Nemeč both attended a public hearing last night to consider testimony in the litigation with West Penn Power over a proposed rate increase.

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past, as you used more electricity, rates went down ... not true anymore ... bring that rate in line with everyone else."

Larry Seese, appearing on behalf of a state representative, Allen Kukovich, offered an explanation for the relatively small public turnout at last night's hearing. "The reason for the small turnout ... not lack of concern ... lack of advertising."

Kukovich's representative said another factor is that "no consumer groups are active in this area. I think consumers are relying on the consumer advocates." He referred to the last rate increase in 1974-75 when the Office of Consumer Advocates, as well as the PUC trial staff were not established, and individual consumers were forced to fend for themselves.

The rate investigation process began in Pittsburgh two weeks ago, and the evidentiary hearings will continue until September. During this period, West Penn Power, facing opposition from the PUC trial staff and consumer advocates, is responsible for providing proof of their claims for the requested rate hike, explained the company's attorney.

Hamberg heads the three-year-old trial staff of the PUC which represents the public interests of residential, commercial and industrial consumers. The goal of the evidentiary hearings is to "establish a just and responsible rate ... fair to the customer, but fair to the investors in the company," according to the PUC attorney.